



NORTH CAROLINA Office of *State Human Resources*



NCFlex HBR Train the Trainer

Fall 2020

NCFlex Agenda

- Open Enrollment Updates for 2021
- Other Updates
- Benefit Refreshers
- NCFlex Disability Plan
 - Agencies, Community Colleges and Charter Schools

Open Enrollment Updates for 2021

Open Enrollment will be held from October 15th - 31st

- NCFlex Changes for 2021
 - Dental Rates
 - Health Care Flexible Spending Account
 - SSNs for Covered Dependents
- Disability will have EOI
- Cancer Plan & Specified Disease
 - No EOI during annual enrollment

Dental Changes for 2021

- Lower rates
 - COVID related lower utilization
 - Repeal of the HIT
 - Rates were reduced for all plans approximately 8%

Monthly Dental Cost

Coverage Level	High Option	Classic Option	Low Option
Employee Only	\$44.56	\$33.08	\$21.08
Employee and Spouse	\$89.36	\$66.32	\$42.50
Employee and Child(ren)	\$96.36	\$71.88	\$45.64
Employee and Family	\$157.78	\$112.98	\$72.74

Health Care Flexible Spending Account Changes

- The annual maximum election is increasing to \$2,750
 - An increase of \$50
- The annual rollover amount is increasing to \$550
 - An increase of \$50
 - Can rollover amounts over \$25 up to \$550
 - Continues to rollover until utilized
- Need to reenroll if you want more than what is in your rollover account
- Last day to file claims for previous plan year is changing to March 31, 2022 which allows members to access their rollover funds sooner

Dependent SSNs

- Dependent SSNs are going to be required to enroll in NCFlex benefits
- Prevents duplicate enrollments
- Prevents employees from paying for benefits for which they will receive no benefit

Enrollment Communications

- 2021 Enrollment Guide (also available in Spanish)
 - Includes NCFlex Disability
 - Agencies, Community Colleges and Charter Schools
- 2021 Enrollment Guide for Universities
 - Does not include Disability plan
- 2021 HBR Benefits Guide
- Email alerts
 - Employees and HBRs can sign up for these at ncflex.org, 3rd link under sliders

Enrollment Communications

- Open Enrollment page
 - Linked from first slider on NCFlex main page (ncflex.org)
- Mailer
 - Trifold as if in years before, with updates and reminders
- Employee Sessions during enrollment
 - Six scheduled, day and evening, weekdays and weekend
 - Noted on mailer and on Open Enrollment page
 - 1-hour session
 - Will have short presentation and then allow for questions

Benefit Fairs - Virtually

- NCFlex is taking requests for virtual benefit fairs
- Currently have about 20 scheduled
- Employing Units can request the type of virtual benefit fair that best meets their employees' needs
 - General overview
 - Sessions on each product (employees can join the session in which they are interested)
 - Focused on a couple of key products
 - Promotional items and raffle for participants

Other Updates

Group Term Life EOI

- Employees who initially declined coverage and enroll during OE – no matter the amount, it will pend EOI
- Benefitfocus will audit and manually approve \$20,000 amount
- In the past the system was not pending EOI for any amount selected after initial refusal, therefore this is a temporary fix until the enrollment platform is updated
- Enrollment platform will show employee:
 - ***You have requested a benefit amount that requires an Evidence of Insurability. You will be contacted with the information necessary to submit.***
 - *****If you waived or cancelled your Group Term Life coverage in a previous participation year, you will be approved for \$20,000 of Guaranteed Issue coverage. Any amount above the \$20,000 will require evidence of insurability.***

Dual Enrollments

- Dual enrollment is not allowed in any plan
- Having the SSN in place will help prevent
- For AD&D, if both employee and spouse are eligible, only one should cover children with family coverage

Imputed Income

- During the 2020 open enrollment GTL did not pend for EOI.
- When the issue was discovered EOI letters were sent to employees and coverage amounts were reduced to the GI amount
- This resulted in an incorrect imputed income amount
- LifeHelp will be sending negative imputed income amounts on the October imputed income file to correct the YTD imputed income

Benefit Refreshers

Health Care FSA Rollover (Carry Forward)

- At the end of calendar year amounts between \$25 and \$550 will rollover to next plan year (will not be forfeited if not spent)
- The rollover funds can be used for the current plan year after the last day to submit claims for the previous plan year has been passed
 - May use Convenience Card once last day to submit claims has passed
- Rollover election can be added to annual election to increase your total available amount
 - $\$2,750 + \$500 = \$3,250$ available for 2021
 - Helps to budget for elective surgeries that can be scheduled in the future such as LASIK eye surgery
- Rollover if unused in the next plan year continues to rollover
- You do **not** need to enroll in the HCFSA for the next plan to have access to your rollover funds

CARES Act and OTC Meds

- Passed March 2020
 - Claims retro back to January 1
- HCFSA items now eligible
 - **New**-Over-the-counter medications
 - **New**-Feminine Care and Menstrual products
- Approximately 17,500 OTC items added
- Most merchants have updated their systems to accept the convenience card for these products – if not, file manual claims
- NCFlex.org site has updated eligibility list under FSA

FLEXIBLE SPENDING ACCOUNT



CARES Act of 2020 Update

Over-the-counter (OTC) medications are now reimbursable under FSAs without requiring a prescription or completing a Letter of Medical Necessity Form. This provision is retroactive to January 1, 2020. Menstrual care products are now reimbursable as eligible expenses, including tampons and pads.

Eligible Health FSA Expenses

<ul style="list-style-type: none">• Acupuncture• Alcoholism treatment• Allergy medication, nasal sprays• Ambulance• Analgesics, fever reducers, pain reducers (aspirin, ibuprofen, acetaminophen)• Antacids and heartburn relief• Antibiotic ointments• Anti-itch creams and hydrocortisone creams• Arthritis pain relieving creams• Athlete's foot treatment, anti-fungal creams• Artificial teeth/dentures• Bandages• Birth control• Blood pressure monitors• Braces• Braille books and magazines• Breast pumps and lactation supplies• Cancer screening• Chiropractors• Chondroitin• Co-insurance amount you pay• Cold/flu packs• Cold medicines, tablets, syrups, cough drops & lozenges• Co-pay amount you pay• Compression hose (30-40 mmHg or higher)• Condoms• Contact lenses and eyeglasses• Contact lens solutions• Cost of medically necessary operations and related treatments• Crutches• Deductible medical coverage (amounts you pay)• Dental fees• Diabetic supplies	<ul style="list-style-type: none">• Diaper rash ointment• Dietary supplements• Drug addiction treatment• Doula• Ear wax removal kits• Eye exams, eye surgery• Eye glasses (prescription plans/warranties are NOT eligible expenses)• Eczema treatments• Feminine hygiene products• Fertility treatments (in vitro fertilization, surgery)• First-aid cream• Glucosamine• Hearing devices and batteries• Hemorrhoid treatments• Hospital services• Incontinence products• Infertility treatments• Insulin• Laboratory fees• Lactose intolerance tablets• Lamaze classes• Latex gloves• Laxatives• Medical alert bracelets• Medical information plan• Menstrual pain relievers• Mentally handicapped persons cost of special home care• Motion sickness pills• Nasal spray and strips• Nicotine gum, patches• Nurses fees (including nurses' board and social security tax paid by you)• Obstetrical expenses• Orthotics• Over-the-counter medications• Oxygen• Petroleum jelly	<ul style="list-style-type: none">• Prostheses• Pregnancy tests• Prenatal vitamins• Psychiatrists' and psychologists' fees• Radial keratotomy and laser eye surgery• Routine physical & other non diagnostic services or treatments• Sinus medication• Smoking cessation programs• Speech therapy• Special education for the blind• Special plumbing for handicapped• Sterilization (i.e., tubal ligation, vasectomy) and reversal• Stomach and digestive relief items• Sunburn cream (Solarcaine)• Surgical fees• Telephone, special for hearing impaired• Television audio display equipment for hearing impaired• Therapeutic care for drug and alcohol addiction received as medical treatment• Thermometers• Toothache and teething pain relievers• Transportation expenses for person to receive medical care• Urinary pain relief medication• Vaccines• Walkers• Wart removal, i.e., W Freeze Off (certain wart medicines may require a prescription)• Wheelchair• X-rays• Yeast infection medication
--	--	---

Eligible Health FSA Expenses Only with a Letter of Medical Necessity Form

<ul style="list-style-type: none">• Compression hose (20-30 mmHg)• Exercise programs or equipment• Fiber supplements• Humidifier• Hypnosis• Infertility treatments• Lead-base paint removal	<ul style="list-style-type: none">• Massage therapy, rolling therapy• Mineral supplements• Occupational therapy• Orthopedic shoes (reimbursement is permitted for the cost difference between orthopedic shoes and regular shoes.)• Scooter, electric	<ul style="list-style-type: none">• Service animal (guide dogs are eligible without a LOMNF)• Tuition/meals/lodging for special needs schooling• Varicose vein, treatment of• Vitamins• Water-Pik
---	---	---



Dependent Day Care FSA

- Reminder: Employees can use “Day care change” or other life event in the enrollment platform to make changes mid-year such as:
 - Starting or stopping day care or childcare (including camps)
 - Change in day care expenses
 - Birth
 - Marriage
- Reminder: Services incurred after separation can be reimbursed up to the balance available in the account

FSA General

- Remind employees to check their HCFSA account balances prior to December 31
- Claims
 - For HCFSA must be incurred January 1, 2021 – December 31, 2021
 - **2021 claims** submission deadline is **March 31, 2022**
 - **2020 claims** submission deadline is April 30, 2021
 - For DDCFSA must be incurred January 1, 2021 – March 15, 2022
 - **2021 claims** submission deadline is **March 31, 2022**
 - **2020 claims** submission deadline is April 30, 2021

Group Term Life and AD&D

- Employees and/or dependent should not be dually enrolled
- If a person is eligible to participate as an employee, he/she must choose to be covered as an employee, not as a dependent
 - Noted in 2021 Benefits Guide

NCFlex Disability

Agencies, Community Colleges and Charter Schools

Combined Voluntary Short / Long Term Disability

Who is Eligible

- All full-time active employees* working 30 or more hours per week.
- Disability insurance is employee only coverage.
- All employees must meet the active work requirement before insurance becomes effective.

Enrollment Period

- Annual Enrollment 2020: Evidence of Insurability required
- Qualifying Life event: Within 30 days of event
- For New Hires: Within 30 days of hire or eligibility date

Effective Date

- First of the month following date enrolled in the plan.

New Account Manager

- Mark Trovato

*Universities have University Disability Plan

EOI for the Disability Plan

- Employees enrolling for the first time (for 2021) will be required to complete medical questions (Evidence of Insurability)
- The enrollment system will link the employee to The Standard's webpage where they can access the EOI form
- They can complete at that time, during enrollment, or save the page and complete later

Sample Premium Calculation

- Employee is age 25 and makes \$35,000 a year
- The age banded rate for those age 25-29 is \$0.846 per \$100 of covered monthly payroll
- Premium Calculation:
 - Annual salary divided by 12 months = \$2,916.67 per month
 - Monthly salary divided by \$100 = \$29.17
 - $\$29.17 \times \$0.846 = \$24.68$ per month in premium for the disability plan

*For biweekly paychecks, premiums will be split evenly across both paychecks in a given month.

Short Term Disability Schedule of Benefits

Short Term Disability (STD) provides income replacement if you become unable to work due to a medical disability. STD benefits begin on the first business day following the benefit waiting period:

What Your Benefit Provides	The plan pays \$150 per business day, up to a maximum of \$750 per week.
Benefit Waiting Period	10 business days for qualifying accident, physical disease, pregnancy or mental disorder. This is the length of time you must be disabled before you begin receiving benefits.
How Long Your Benefits Last	60 calendar days from your date of disability.
Benefits Are Paid	Weekly.
Deductible Income (offsets)	There are no offsets to the STD plan, meaning you will not have benefits reduced if you are receiving income from other sources, such as workers' compensation or Social Security.

Additional Features for Short Term

- **24 Hour Coverage**
 - Covers disabilities that occur on and off the job.
- **Health Advocate Select**
 - While on an approved STD claim, you will have access to a dedicated Personal Health Advocate that can assist you with a wide range of services such as coordinating health care with specialists and managing billing questions.
- **Reasonable Accommodation Expense Benefit**
 - Designed to help cover the cost of accommodations that allow you to stay at work or return to work following a disabling condition.

Long Term Disability Schedule of Benefits

Benefit Waiting Period	Monthly Benefit %	Maximum Monthly Benefit	Minimum Monthly Benefit	Own Occupation Period	Maximum Benefit Period
60 Days	66 2/3% of PDE	\$12,500	Greater of \$100 or 10% of LTD Benefits	24 months	SSNRA

- PDE – Predisability Earnings (covered monthly salary)
- Maximum PDE/covered monthly salary is \$18,750
- Offsets apply to this plan
- SSNRA – Social Security Normal Retirement Age

Additional Features for Long-Term

- **24 Hour Coverage**
 - Covers disabilities that occur on and off the job.
- **Return to Work Incentive**
 - With this incentive, Standard only deducts a portion of earnings for work performed while on disability.
- **Reasonable Accommodation Expense Benefit**
 - Designed to help cover the cost of accommodations that allow you to stay at work or return to work following a disabling condition.
- **Survivor Benefit**
 - If you die while LTD benefits are payable, a Survivor Benefit may be payable. The Survivor Benefit is 3 times your LTD Benefit without reduction by Deductible Income.

Preexisting Condition Provision

You are not covered for a short or long term disability caused or contributed to by a preexisting condition unless on the date you become disabled, you have been continuously insured under the group policy for the exclusion period and have been actively at work for at least one full day after the end of a **12-month exclusion period**.

A preexisting condition is a mental or physical condition whether or not diagnosed or misdiagnosed during the 90-day period just before your insurance becomes effective:

- For which you would have consulted a physician or other licensed medical professional; received medical treatment, services or advice; undergone diagnostic procedures, including self-administered procedures; or taken prescribed drugs or medications.
- Which, as a result of any medical examination, including routine examination, was discovered or suspected.

Treatment-Free Period: If you are treatment-free for six consecutive months during the 12-month exclusion period, any remaining exclusion period will not apply.

Thank You



Annual Enrollment
October 15th to 31st